



**BILLING CODE: 4910-81-P**

**DEPARTMENT OF TRANSPORTATION**

**Maritime Administration**

**[Docket No. USCG-2015-0472]**

**Deepwater Port License Application: Delfin LNG LLC, Delfin LNG Deepwater Port**

**AGENCY:** U.S. Department of Transportation, Maritime Administration.

**ACTION:** Notice of Receipt of Amended Application; Request for Comments.

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**SUMMARY:** The Maritime Administration (MARAD), in cooperation with the U.S. Coast Guard (USCG), announces the receipt and availability of the amended deepwater port license application submitted by Delfin LNG LLC (Delfin LNG) on November 19, 2015 (amended application). The purpose of this Federal Register Notice is to explain the changes between the original application and the amended application and seek public comments regarding the amended application. Please note, MARAD and USCG have determined that this Federal Register Notice is sufficient for satisfying National Environmental Policy Act (NEPA) requirements for public scoping and seeking public comment on an agency action. As such, no public scoping meetings are planned to be held for the Delfin LNG amended application.

*A Notice of Application* that summarized the original Delfin LNG license application was published in the **Federal Register** on July 16, 2015 (80 FR 42162). A Notice of Intent to Prepare an Environmental Impact Statement and Notice of Public Meetings was published in the **Federal Register** on Wednesday, July 29, 2015 (80 FR

45270). This Notice incorporates the aforementioned Notices by reference and highlights changes to the proposed Delfin LNG project made since the original application was deemed complete.

The proposed Delfin LNG deepwater port incorporates onshore components, which are subject to the jurisdiction of the Federal Energy Regulatory Commission (FERC). These facilities are described in the section of this notice titled “FERC Application.”

**FOR FURTHER INFORMATION CONTACT:** Mr. Roddy Bachman, USCG, telephone: 202-372-1451, email: *Roddy.C.Bachman@uscg.mil*, or Ms. Yvette M. Fields, Director, Office of Deepwater Ports and Offshore Activities, MARAD, telephone: 202-366-0926, email: *Yvette.Fields@dot.gov*. For questions regarding viewing the Federal docket, call Docket Operations, telephone 202-366-9826.

**SUPPLEMENTARY INFORMATION:**

**Request for Comments**

We request public comments on the amended application for the proposed deepwater port. You can submit comments directly to the Docket Operations Facility during the public comment period from publication date of this Notice until Tuesday, January 19, 2016. We will consider all comments and materials received during the public comment period. Public comment submissions must be unbound, no larger than 8½ by 11 inches and suitable for copying and electronic scanning. Please include the docket number (USCG-2015-0472) and your name and address on any correspondence.

Submit comments or material using only one of the following methods:

- **Online:** Go to [www.regulations.gov](http://www.regulations.gov) and search docket number “USCG-2015-0472.” Follow the online instructions for sending your comments electronically.
- **Mail:** Send comments to Docket Operations, M-30; U.S. Department of Transportation, 1200 New Jersey Avenue, SE, Room W12-140, West Building Ground Floor, Washington, DC 20590-0001.
- **Hand Delivery or Courier:** Bring comments to Docket Operations in Room W12-140 of the West Building Ground Floor at 1200 New Jersey Avenue, SE, Washington, DC, between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays.
- **Fax:** Fax comments to Docket Operations at 202-493-2251.

While not required, it is preferred that comments be submitted electronically, which facilitates use of computer software to sort, organize and search the comments. If you submit your comments electronically, it is not necessary to also submit a hard copy.

## **Background**

On May 8, 2015, as supplemented on June 19, 2015, MARAD and USCG received an application from Delfin LNG for all Federal authorizations required for a license to own, construct, and operate a deepwater port for the export of natural gas. On Thursday, July 16, 2015, a *Notice of Application* was published in the **Federal Register** (80 FR 42162) advising the public of the completed original application. Louisiana and Texas were designated as adjacent coastal States (ACS) for the original application.

Two public scoping meetings were held in connection with the original Delfin LNG application. The first public scoping meeting was held in Lake Charles, Louisiana on August 18, 2015, and the second public scoping meeting was held in Beaumont, Texas on August 19, 2015. After the public scoping meetings concluded, Delfin LNG advised MARAD and USCG of its intent to amend the original application.

In anticipation of the amended application, MARAD and USCG issued a regulatory “stop-clock” letter to Delfin LNG on September 18, 2015. That letter commenced a regulatory “stop-clock,” effective September 18, 2015, which would remain in effect until MARAD and USCG received the amended application and determined it contained sufficient information to continue the Federal review process. On November 19, 2015, Delfin LNG submitted its amended application to MARAD and USCG.

Working in coordination with participating Federal and State agencies, we will commence processing the amended application and complete a Draft EIS which analyzes reasonable alternatives to, and the direct, indirect and cumulative environmental impacts of, the proposed action. When the Draft EIS is complete and ready for public review, a *Notice of Availability* will be published in the **Federal Register**. The *Notice of Availability* will provide for a public comment period that includes public meetings in Louisiana and Texas. The amended application is currently available for public review at the Federal docket website: [www.regulations.gov](http://www.regulations.gov) under docket number USCG-2015-0472.

### **Summary of the Amended Application**

The specific project changes from the original Delfin LNG application are: 1) the liquefaction capacity of the four proposed FLNGVs that would service the proposed Delfin deepwater port is increased from a base design capacity of two million metric tons per annum (MMtpa) each (approximately 97 billion standard cubic feet per year [Bscf/y]) to three MMtpa each (approximately 146 Bscf/y), and 2) construction of new-build FLNGV hulls instead of converting existing tank vessels. In sum, the four FLNGVs will be designed to have the capability to produce approximately 12.0 MMtpa of LNG for export (approximately 585 Bscf/y), and as much as 13.2 MMtpa in the optimized design case, (approximately 657.5 Bscf/y). Each FLNGV would have a total LNG storage capacity of 210,000 cubic meters (m<sup>3</sup>), an increase from the original application's 165,000 m<sup>3</sup>.

The amended application also provides for increased natural gas compression horsepower requirements at the onshore facility. These are described in the section of this **Federal Register Notice** entitled "FERC Application."

Other fundamental aspects of the proposed Delfin LNG project remain unchanged, including Port Delfin's location nearly 40 nautical miles offshore of Louisiana, the reuse and repurpose of two existing offshore pipelines, installation of new pipeline laterals leading to each tower yoke mooring system (TYMS), construction of a pipeline bypass around an existing platform at WC 167, and use of air cooling technology for the natural gas liquefaction process.

### **FERC Application**

On May 8, 2015, Delfin LNG filed its original application with FERC requesting authorizations pursuant to the Natural Gas Act and 18 CFR Part 157 for the onshore

components of the proposed deepwater port terminal including authorization to use the existing pipeline infrastructure, which includes leasing a segment of pipeline from HIOS extending from the terminus of the UTOS pipeline offshore. On May 20, 2015, FERC issued its *Notice of Application* for the onshore components of Delfin LNG's deepwater port project in Docket No. CP15-490-000. This Notice was published in the **Federal Register** on May 27, 2015 (80 FR 30226). Delfin LNG stated in its application that High Island Offshore System, LLC (HIOS) would submit a separate application with FERC seeking authorization to abandon by lease its facilities to Delfin LNG. FERC, however, advised Delfin LNG that it would not begin processing Delfin LNG's application until such time that MARAD and USCG deemed Delfin LNG's deepwater port license application complete and HIOS submitted an abandonment application with FERC. On June 29, 2015, MARAD and USCG accepted the documentation and deemed the original Delfin application complete.

On November 19, 2015, HIOS filed an application (FERC Docket No. CP16-20-000) to abandon certain offshore facilities in the Gulf of Mexico, including its 66-mile-long mainline, an offshore platform, and related facilities ("HIOS Repurposed Facilities"). Also, on November 19, 2015, Delfin LNG filed an amended application in FERC Docket No. CP15-490-001 to use the HIOS Repurposed Facilities and to revise the onshore component of its deepwater port project. On December 1, 2015, FERC issued a *Notice of Application* for Delfin LNG's amendment, which was published in the **Federal Register** on December 7, 2015 (80 FR 76003).

The amended FERC application specifically discusses the onshore facility and adjustments to the onshore operations that would involve reactivating approximately 1.1

miles of the existing UTOS pipeline; the addition of four new onshore compressors totaling 120,000 horsepower of new compression; activation of associated metering and regulation facilities; the installation of new supply header pipelines (which would consist of 0.25 miles of new 42-inch-diameter pipeline to connect the former UTOS line to the new meter station) and 0.6 miles of new twin 30-inch-diameter pipelines between Transco Station 44 and the new compressor station site. The original FERC application consisted of three new onshore compressors totaling 74,000 horsepower.

Additional information regarding the details of Delfin LNG's original and amended application to the FERC is on file and open to public inspection. Project filings may be viewed on the web at [www.ferc.gov](http://www.ferc.gov) using the "eLibrary" link. Enter the docket number excluding the last three digits (i.e., CP15-490) in the docket number field to access project information. For assistance, please contact FERC at [FERCOnlineSupport@ferc.gov](mailto:FERCOnlineSupport@ferc.gov) or call toll-free, (886) 208-3676 or TYY, (202) 502-8659.

### **Privacy Act**

Regardless of the method used for submitting comments or material, all submissions will be posted, without change, to [www.regulations.gov](http://www.regulations.gov) and will include any personal information you provide. Therefore, submitting this information to the docket makes it public. You may wish to read the Privacy and Security Notice, as well as the User Notice, that is available on the [www.regulations.gov](http://www.regulations.gov) website and the Department of Transportation Privacy Act Notice that appeared in the **Federal Register** on April 11, 2000 (65 FR 19477), see Privacy Act. You may view docket submissions in person at the Docket Operations Facility or electronically on the [www.regulations.gov](http://www.regulations.gov) website.

(**Authority:** 33 U.S.C. 1501, et seq., 49 CFR 1.93(h)).

Dated: December 18, 2015

By Order of the Maritime Administrator.

**T. Mitchell Hudson, Jr.,**

Secretary, Maritime Administration

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